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In the centre : Mr JUDD, President-in-Office of the Council,
at the 149th Plenary Session

149th PLENARY SESSION

The Economic and Social Committee of the European Communities held its 149th Plenary Session in Brussels on 25 and 26 May 1977. The Committee's Chairman, Mr Basil de FERRANTI, presided.

The Session was attended by Mr Frank JUDD, Minister of State at the UK Foreign and Commonwealth Office and President-in-Office at the Council. Mr Richard BURKE, a member of the Commission, was present for the debate on the consumer action programme.

Speech by Mr JUDD

The President-in-Office of the Council, Mr Frank JUDD, gave a brief review of the more important aspects of Community work during the United Kingdom presidency and specifically referred to economic problems. He then reviewed the progress which the Community had made in its external relations, in the North-South Dialogue, at the UNCTAD conference, at the CIEC, where the Community had reached agreed positions.

Mr JUDD also considered the problem of enabling ordinary people to understand the purpose and workings of the EEC. "If we are to avoid existing scepticism about the institutions of the EEC mushrooming into widespread cynicism and thence into complete alienation, we must at all costs avoid esoteric and technocratic elitism in our work. The people we represent must be able to see that we are

putting the sometimes basically differing or even on occasions conflicting interests of which they are only too well aware fairly and squarely on the table. They must be able to see that the policies and solutions which are hammered out in the EEC as a whole take these interests properly into account. This applies to the Common Agricultural Policy, to fish, to energy and to much else besides. A meaningful Community will only be fashioned on the basis of forthright negotiation and debate ..." he said.

"Community policies are not right just because they are there. The need for reform and reassessment is a constant one. Secondly, we must never lose sight of the simple fact that the Community exists for the people rather than the people for the Community. This means tackling the overall economic problems of divergence, recession and employment which affect the lives of citizens everywhere. It also means constructing a Community with a human face, a caring community that can make a contribution to everyman's living and working conditions; and a democratic community in which every man can be involved in the decisions that will ultimately affect his life."

Mr JUDD emphasized the importance for the Community "to enable people to understand the purpose of an organization so that they can accept its aims, and hence obligations, as their own. This implies providing channels through which they can not only follow, but make a share in and make their own contribution to, the complex but absorbing process of developing joint practices, policies and institutions."



On the right : Mr BURKE, member of the Commission, attending
discussions on the Consumers Action Programme

Mr JUDD pointed out that "the revolution in communications technology has made the masses of the people aware of the extent to which decisions taken in the impersonal and inaccessible confines of an often distant central organization affect their interests. This is true of the Council of Ministers as of the management of a large industrial organization. This breeds disenchantment and negativism which in turn leads to lethargy: the withdrawal of cooperation and participation; confrontation with those identified as the establishment; and even violence. For those in positions of responsibility, the problem presents itself as one of reconciling the need for efficient and responsible government with the achievement of the fullest democratic participation at all levels of the decision-making process. Both those who govern and those who are governed have responsibility for devising structures which are small enough for individuals to recognize their personal significance and to play a self-fulfilling role".

In discussing the problems which have beset the EEC during the British presidency, Mr JUDD said that "It would be wrong to dodge the fact that more general expectations were cherished in many quarters about the UK presidency. It was hoped that this would be an opportunity not only to enhance Britain's contribution to Community life but also to improve understanding and sympathy for the Community's aims at all levels in Britain herself. It would be wrong to give a complacent answer to either of these points. Our presidency has seen some very difficult debates on issues where the UK's special interests have been thrown into relief".

Adoption of Opinions and Studies

1. CONSUMER ACTION PROGRAMME

The Economic and Social Committee adopted with no votes against and 5 abstentions its Opinion on

The Implementation and Development of the Community's Consumer Protection and Information Programme.

Gist of the Opinion

The Preliminary Community Programme for a Consumer Protection and Information Policy was adopted by the Commission in December 1973 and approved by the Council of Ministers on 14 April 1975. The Committee gave its approval to the Programme on 28 March 1974. The Programme is to be implemented over a period of four years.

At the moment it is still too early to assess how the Programme as a whole is being given concrete form in Community and national law. However, the Committee draws attention to the dynamic role played by the Commission's Environment and Consumer Protection Service. The Committee considers that the Commission must now organize the service responsible for consumer protection at the highest administrative level.

The Committee stresses that it would be useful to try to draw some conclusions from the experience gained in implementing the first Programme and to list the points which might be contained in the Community's next Programme concerning consumers and consumer (and consumption) problems.

The Commission should set itself specific goals to be achieved within the next four years. Among these the Committee includes monitoring the implementation of Community legislation, consumer education in schools and stepping up the Commission's efforts to publicize its activities.

The Committee points out that so far both consumer organizations and the Commission have too often adopted a piecemeal approach when dealing with consumer problems. It considers that from now on an overall approach should be adopted, based on extensive consultation, at all levels, of the parties involved.

This course of action should also lead to effective consumer participation in the working out of measures to improve living conditions and the environment, particularly as regards energy options, measures to combat wastage, product safety and the protection of natural resources.

These steps should make it possible to achieve a more even balance between the various interests involved. They should also give new impetus to the process of economic unification in the Community and make for better integration of the various economic operators (i.e. producers, workers, consumers) in their economic and social environment.

Statement by Commissioner BURKE

Addressing the Committee, Mr Richard BURKE, Member of the Commission, stressed first of all the need to put the consumer element of his portfolio in a wider context. In fact, protection of the consumer should be seen as helping the citizen of Europe in his search for quality of life. Mr BURKE underlined his interest in the additional Committee's Opinion and on the implementation of the Community's Consumer Protection and Information Programme.

These documents are all the more interesting because, in large measure, they contain echoes of the Commission's pre-occupations in the area of consumer policy.

On 25 April last, the Commission held an Orientation Debate on consumer policy. The main elements to emerge from this debate can be summarized as follows :

- a) As a general guideline, the Commission will base its thinking on consumer policy on the notion of promotion rather than protection of consumer interests. It believes that this will give a more positive orientation to its work in this area, and will involve a transition from the rather passive process of reacting to the effects on consumers of policies already adopted to the more positive process of shaping policy proposals with the interests of the consumer in mind.

- b) The Commission also agreed that, following from this emphasis on promotion of consumer interests, greater weight should be given to these interests in the formulation of policy proposals by the Commission. It is its intention to identify the areas in which a "consumer input" would be valid and helpful at an early stage in the Commission's own work on policy development. Its approach in this respect will be pragmatic and will be aimed at ensuring that the mix of inputs into policy proposals is as fairly balanced as possible.
- c) Finally, the Commission agreed in principle to hold a Conference devoted to a reflection on the Community's real needs within the framework of improving the general quality of life of the European citizen. This Conference should help to identify the areas in which positive action is most urgently needed, given the changes in economic circumstances which we have experienced in recent years. In close association with those of his colleagues in the Commission most concerned, Mr BURKE said he is examining the main questions of detail which will need to be considered in regard to the organization of this Conference. This conference should also be placed in the context of the upcoming direct elections of the European Parliament and should contribute to the participation of the European citizen in Community decision-making.

He mentioned a series of meetings with the member organizations of the Consumers' Consultative Committee. The purpose of these meetings is, firstly, to improve our mutual acquaintance and,

secondly, to discuss the matters of most urgent concern to these organizations. He assured the Committee that many of the matters dealt with in the additional Opinion have come up for consideration in the course of these discussions.

The Economic and Social Committee based its Opinion on material prepared by its Section for Protection of the Environment, Public Health and Consumer Affairs under the chairmanship of Mr ROSEINGRAVE - Various Interests - Ireland. The Rapporteur was Mr RAMAEKERS - Various Interests - Belgium.

2. Bird Conservation

Proposal for a Council Directive on Bird Conservation

Gist of the proposal

This proposal forms part of the Action Programme on the Environment. The aim is to stop the enormous slaughter of bird life, particularly song birds and birds on migration, and thus preserve certain endangered species. It is proposed that this goal be achieved by aligning national regulations on bird protection.

Provision is made for exemptions for certain well-defined, important reasons, for example scientific research and the prevention of large-scale damage to economic activities. These exemptions would be subject to the approval of the Commission and the Council.

Gist of the Opinion

The Economic and Social Committee adopted with no votes against and 8 abstentions its Opinion on this proposal.

The Committee welcomes the general principles underlying the Commission's proposal to establish common rules for the protection of birds. It believes the proposal to be an extremely positive step towards safeguarding the environment and conserving the common heritage represented by the birds of Europe.

The Committee does, however, draw attention to bird protection and economic developments - such as urbanization, industrialization, tourism and recreation, agricultural progress and rural development. The Committee hopes that the Directive will be used to bring about the necessary compromise.

The Committee feels that the proposed Directive should require the Member States to familiarize the public with its provisions, in particular members of the public who hunt. Only through education can the aims of the proposal be fully achieved.

Finally, the Committee asks the Commission to review the proposal, and in particular its Annexes, in the light of the possible accession of further countries.

The Economic and Social Committee based its Opinion on material prepared by its Section for Protection of the Environment, Public Health and Consumer Affairs under the chairmanship of Mr ROSEINGRAVE - Ireland - Various Interests. The Rapporteur was Mrs EVANS - UK - Various Interests.

3. Relations between Industrialized and Developing Countries

The Economic and Social Committee adopted, by a large majority with 2 votes against and 11 abstentions, its Study on the

Community's Policy on Relations between Industrialized and Developing Countries.

The Study analyzes in the first chapter the "yawning" gap that exists between the DCs and the LDCs. The disequilibrium between rich and poor countries is all the more unacceptable because their respective economies are interdependent (primary commodities). The rich countries recognize the need for cooperation with the LDCs, with all that this implies in terms of adjustments to their own structures. The LDCs on the other hand advocate a new international economic order, i.e. a better bargaining platform, more economic power and more industrialization.

The next chapter discusses the history of Community policy towards developing countries. The first association agreements (e.g. Yaoundé) were based on tariff preferences and aid. Relations were taken a step further with the introduction of the Lomé Convention, which is a new model of economic cooperation. The same idea

of economic cooperation involving easier access to Community markets has been put into practice by the "regional" agreements with Mediterranean countries (Maghreb and Mashrek countries, Israel). Finally, the Community is looking for ways and means of helping, and cooperating, with the poorest countries of the world which have not yet concluded association agreements with the Community under the Lomé Convention or at regional level (Mediterranean). "Need" is the criterion used by the Community in shaping the overall strategy of the Community. The Committee points out that the vast majority of the poor are in Asia, outside the area in which the Community has built up its closest relationships.

The Study then looks at the various forms of aid and co-operation, stressing that particular attention needs to be paid to the crucial question of indebtedness.

The next question dealt with is whether national or Community aid is preferable. The Study concludes that a Community approach is the right one when it is a question of capital aid or soft loans. In other cases national mechanisms may still be preferable because of the long-standing, personal and institutional links established by individual Member States with developing countries and the firsthand knowledge they have acquired over the years.

The Study mentions the important role played by multinationals in the development of the LDCs and also stresses the need for an agreed "code of conduct" in the operation of these companies. Private investments, which give these countries technologies and provide opportunities for vocational training, call for a stable legal framework in the industrial sector. It is the task of the LDCs to provide this framework if they wish to attract private investments.

In its conclusion the Study advocates (a) an increase in public aid for development, (b) a concentration of efforts in the rural areas and above all on poverty and (c) far-reaching measures to reduce indebtedness, and steady progress in the discussions and negotiations on the "New Economic Order".

The Community must continue its policies of stabilizing LDCs' export earnings and giving their processed products easier access to EEC markets. Aid must be more selective - something which can be done, for instance, by defining the criterion of "poverty" more clearly. The aim must be to gradually achieve a new trade balance. Although Europe may find adjustment painful in the short term, in the long term Europe has all to gain from a far more widespread prosperity.

Agricultural and industrial cooperation between the LDCs and the DCs needs to be intensified. In this connection importance is attached to adequate vocational training. Finally, the Study comes out in favour of more uniform Community action in tackling the gigantic problem of poverty in the LDCs. This is a major statement of the Committee's overall policy.

The Economic and Social Committee based its Opinion on material prepared by its Section for External Relations under the chairmanship of Mr CARSTENS - Denmark - Employers. The Rapporteur was Mr HUNTER - United Kingdom - Various Interests.

4. Employment in Agriculture

The Economic and Social Committee adopted with no votes against and 3 abstentions its study on the

Employment Situation and Employment Prospects in Agriculture.

In an effort to put the changes in farm employment into perspective, Part 1 of the Study outlines the strategies and decisions which have been instrumental in framing policy in this area.

In Part 2 a statistical analysis has been attempted in order to :

- ascertain whether the objectives for employment in agriculture matched up with the trend in practice between 1960 and 1974 (separate statistics have been given for paid workers and the self-employed);
- pinpoint the positive and negative aspects of this trend with reference to specifically agricultural requirements and general requirements.

On the basis of this analysis, Part 3 assesses whether employment in agriculture has been influenced for good or bad by the Common Agricultural Policy, by other EEC policies and activities, by the actions of the Member States and the two sides of industry, by technological advance and by other factors.

The Fourth and final part of the Study attempts to indicate :
(a) what quantitative and qualitative changes are desirable in agricultural employment and rural employment in general, and (b) what measures should be taken under the Common Agricultural Policy and other Community policies to bring the trend in agricultural employment closer to what is acceptable in terms of the current socio-economic situation and the medium- and long-term outlook, and in particular in terms of the objective of full employment. (The Fourth Medium-Term Economic Policy Programme puts full employment as the number one economic goal for the Community and for the Member States, and proposes that it be reached by 1980.)

The Committee notes that throughout the sixties the CAP dodged the social and structural issues, and focused almost exclusively on market problems. Community social policy paid lip service to the farming industry and did next to nothing to improve the circumstances associated with the drift from the land. The Community authorities also turned a blind eye to regional policy in the sixties.

It was not until the early seventies - with the agricultural reform Directives, the hill-farming Directive and regional policy action - that the Community took the first measures aimed, inter alia at improving employment in agriculture. These included measures to stem the transfer of surplus labour, to abate the ageing of the agricultural labour force, to improve vocational training for those remaining on the land, to check depopulation and to promote alternative jobs in rural areas.

These measures were - and are - dependent on financial incentives and prospects of mere job opportunities outside farming, i.e. a situation free from inflation and economic stagnation or recession, or any likelihood thereof.

The main factors in the decline of the agricultural labour force between 1960 and 1974 have been the expansion of the non-agricultural sector and increased mechanization. These two factors have helped to improve social and economic conditions in the countryside, reducing - and in some regions completely eliminating - labour

surpluses and under-employment, and at the same time boosting the incomes of those who have remained in farming. Furthermore, most of those who have left farming have succeeded in improving their living and working conditions.

This picture, however, has a darker side to it, as had already been mentioned :

- a) The absence of a regional policy has forced farmers and farm-workers to move, often far away from their home areas;
- b) Socio-structural issues have as yet been given little weight in the Common Agricultural Policy. This fact coupled with the inadequacy of Community and Member State social policy in general, has led many Member States to a decrease in the number of young people in farming and to an increase in the number of elderly workers remaining in farming. More specifically, the Commission's undertaking in the mid-sixties to give the CAP and the other common policies a social dimension has remained pretty well a dead letter.
- c) The movement from agriculture to the non-agricultural sector has in many cases become a mass exodus (causing depopulation of some rural areas and congestion in some towns and cities). Factors here are (a) the less attractive living and working conditions in the countryside, and (b) the absence of an employment policy which would give people a free choice between staying in farming and taking-up employment outside.

In this new situation, adoption of a vigorous agricultural employment policy at Community level is something which can be put off no longer. Such a policy should comprise a coordinated set of measures designed to :

- improve conditions of employment in agriculture, especially the job security and vocational training aspects;
- bring employment levels into line with the requirements of the economic and social development of agriculture by means, for instance, of mobility within the industry;
- restore a normal mix in the work force between young and older people;
- make it easier to move from one branch of farming to another, preferably within the same area.

However, any idea of allowing underemployment to co-exist with modernization is unacceptable. Though this may carry short-term benefits for farms, in the long run (and especially in periods of economic expansion) it can only damage agriculture, because the underused male labour will look for jobs elsewhere. This is the reason for the lack of young people in farming and the ageing of the farming population, which is causing concern.

The policy most in keeping with the objective of full employment may therefore be that of a more gradual rundown of

employment in agriculture, providing for stabilization or even consolidation of employment in some areas and in general encouraging young people to stay in the industry. This requires taking a less fatalistic view of future prospects than the Commission did in its 1975 Report on the Agricultural Situation.

The Section then outlines the tasks, which, in its view, should be assigned to the other Community policies, in pursuit of the objective of full employment in agriculture. The Committee stresses that the Community as a whole must become more sensitive to and more aware of the problems of employment in agriculture. These problems have so far been ignored in the medium-term economic programmes, in the annual reports on the economic and social situations. They are only touched on in passing in the annual reports on the agricultural situation.

The following action is needed in order to remedy this deficiency :

- a) More comprehensive EEC-level statistics should be compiled on the various aspects of agricultural employment (the region-by-region situation, employment of women and young persons, employment according to branch of agriculture, seasonal work, etc.).
- b) In their work on general employment problems, the Tripartite Conference and the Standing Employment Committee should be urged to investigate agricultural employment.

- c) The Joint Committee on Social Problems of Agricultural Workers and the Advisory Committee on Social Questions affecting farmers should be brought into the discussion of employment in agriculture. This would give the two Committees a new lease of life - a necessity if we are to get social policy in agriculture moving once more.
- d) The European conference on the CAP which the ESC has called for should look into the problems of employment in agriculture and the future prospects.

The Economic and Social Committee based its Opinion on material prepared by its Section for Agriculture under the chairmanship of Mr EMO CAPODILISTA - Italy - Various Interests. The Rapporteur was Mr PIGA - Italy - Various Interests.

II

NEW REQUESTS FOR OPINIONS

In May, the Council asked the Committee to deliver an Opinion on the :

1. Proposal for a Council Regulation (EEC) amending Regulation (EEC) No. 816/70 Laying down Additional Provisions for the Common Organization of the Market in Wine, and on the
2. Proposal for a Council Directive amending Directives 66/400/EEC, 66/401/EEC, 66/402/EEC, 66/403/EEC, 68/193/EEC, 69/208/EEC, 70/458/EEC and 70/457/EEC on the Marketing of Beet Seed, Fodder Plant Seed, Cereal Seed, Seed Potatoes, Material for the Vegetative Propagation of the Vine, Seed of Oil and Fibre Plants, Vegetable Seed and on the Common Catalogue of Varieties of Agricultural Plant Species.

III

RIGHT OF INITIATIVE

At its 149th Plenary Session (25 and 26 May 1977), the Committee decided to draw up own-initiative Opinions on :

- Young workers' education and vocational training.
- Problems associated with Mediterranean Agriculture.

IV

PROVISIONAL PROGRAMME OF FUTURE WORK

June 1977 Plenary Session

Requested Opinions

- Economic Situation
- Social Situation
- Doorstep Selling
- Protection of Workers against Vinyl Chloride
- Pleasure Boats
- Aids to finance Stocks of Coal
- Railway Accounts
- Sulphur Dioxide in Wine
- Equal Treatment (Social Security)

Own-Initiative Opinions

- Farm Prices (Incomes) (Additional Opinion)
- East-West Transport (Part 1)
- Monitoring of Wine-Sector Regulations

September 1977 Plenary Session

Own-Initiative Opinions

- Data Processing
- Commercial Agents
- Double Taxation
- New Regional Fund

Own-Initiative Opinions

- Small and Medium-Sized Firms
- Industrial Change

Study

- Agreements between the EEC and Southern and Eastern Mediterranean countries

Later Plenary Sessions

Requested Opinions

- Green Paper
- Product Liability
- Alcohol

Own-Initiative Opinion

- 1976 Report on the Regional Fund

Studies

- Tax Harmonization
- Relations between the EEC and Greece

V

EXTERNAL RELATIONS

Chairman of the Economic and Social Committee visits Germany

The Chairman of the Economic and Social Committee, Mr Basil de FERRANTI, visited Germany on 4-5 May 1977 for talks with Government representatives and influential organizations. This visit is one of a series of visits to Member States.

On 4 May, Mr de FERRANTI was received by State Secretary, Dr Otto SCHLECHT at the Economics Ministry and by State Secretary, Dr Reinhard STREHLKE at the Labour and Social Affairs Ministry for talks.

Mr de FERRANTI had discussions with top representatives of the Bundesverband der Deutschen Industrie (confederation of German industry), the Bundesvereinigung der Deutschen Arbeitgeberverbände (German employers' confederation). He also met leading figures from the German farmers' union, the consumers' association and the civil service union.

The talks centered around the current political and economic situation in the Community and measures to curb unemployment, with particular reference to structural aspects. It was discussed

how to achieve a vigorous employment policy that would incorporate education, vocational training and retraining and foster private and public investment, and the need to strengthen the confidence of industry and the social partners in economic growth.

Further subjects discussed included the contribution of the Economic and Social Committee towards preparations for the trilateral conference (unions, employment, government) in June and the Common Agricultural Policy.

Mr de FERRANTI (UK) was accompanied by the ESC Secretary-General, Mr Delfo DELFINI, and Mr Otto KUBY, Director.

VI

MEMBERS' NEWS

Mr Gérard de CAFFARELLI, an ESC member and a board member of the Fédération nationale des syndicats d'exploitants agricoles (FNSEA), was elected President of the Committee of Agricultural Organizations in the EEC (COPA) on 13 May 1977. He replaces Sir Henry PLUMB.

Appointment

On 18 May 1977, the Council of Ministers appointed Mr L.N. GORIS, as a member of the ESC in place of the late Mr SCHRIJVERS.

PUBLICATIONS OBTAINABLE FROM THE ECONOMIC AND SOCIAL COMMITTEE

Periodical

- Bulletin (monthly publication)

General Documentation

- The Economic and Social Committee (leaflet) (January 1975)
- The Economic and Social Committee (April 1975)
(A descriptive brochure) 16 p.
- Annual Report (1976) 80 p. (1975) 62 p. (1974) 60 p. (1973) 64 p.
- Directory (January 1977)
(List of members) 42 p.

Opinions and Studies

- Research and Development (November 1976)
(Study) 35 p.
- Systems of education and vocational training
(August 1976) (Study) 114 p.
- Regional Policy (March 1976)
(Opinion) 11 p.
- European Union (July 1975)
(Opinion) 33 p.
- Progress Report on the Common Agricultural Policy
(February 1975) (Study) 52 p.
- The Situation of Small and Medium-sized Undertakings in the
European Community (March 1975) (Study) 69 p.